GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries& Commerce - Support of State Government on all fronts towards revival of RINL,Visakhapatnam - Giving consent on the proposal of Ministry of Steel,Governmentof India, for conversion of past arrears and upcoming dues of power charges ofRINL, Vizag to Andhra Pradesh Eastern Power Distribution Company Limited(APEPDCL), Visakhapatnam over the next two years, amounting to Rs.2400crores (including Rs.753.29 crore as charge due) into 7% non-cumulativeredeemable preferential share capital after 10 years, as a state support measuretowards the revival of RINL, Vizag – Orders – Issued.

INDUSTRIES & COMMERCE (P&I) DEPARTMENT

G.O.Ms.No.203 Dt:14-10-2025

Read the following:

1. From the Secretary, Ministry of Steel, GoI, D.O.No.S-26011/14/2024-RINL, dt.18.07.2024
2. Govt. letter No.INC01-IND0MISC/4/2024-P-I, dt.13.01.2025.
3. G.O.Rt.No.702, Home (Ser.III) Department, dt.09.05.2025.
4. From the Jt. Secretary, Ministry of Steel, GoI, D.O.No.S-26011/14/ 2024-RINL, dt.30.06.2025 and 30.09.2025

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ORDER:

RINL is a Schedule-A CPSE under the administrative control of Ministry ofSteel located at Visakhapatnam, Andhra Pradesh. RINL operates theVisakhapatnam Steel Plant (VSP) with an installed capacity of 7.3 million tonnesper annum of liquid steel. The main areas of activity of RINL are iron and steelmaking with finished products such as billets, wire rods, rebars, rounds, squares,
channels, angles, and pig iron. RINL is an unlisted Company and the Governmentof India (GoI) holds 100 percent of the shareholding in RINL. RINL started incurringlosses since 2015-16 (except for the years 2018-19 and 2021-22 when it madenominal profits of ₹96.71 crore and ₹913.19 crore respectively).

2. In reference 1st read above, the Secretary, Ministry of Steel, GoI hasinformedthat the support of the State Government would go a long way in helping RINL totide over the crisis and requested to consider the extending the following supportin order to help RINL sustain its operation till its revival as a going concern:

(i) Deployment of state level security to RINL on free of cost basis.
(ii) Preferential purchase of Steel from RINL for all projects of State Government.
(iii) Waiver of RINL's power and water bills for a period of three years.

3. In the reference 2nd cited, the State Government has informed the Secretary,Ministry of Steel, Government of India that the State Government will provide allthe support for the efforts of the Ministry of Steel and RINL in reviving the RINLfrom its present status to a financially strong organization operating to

its fullinstalled capacity. Accordingly, all the requests of GoI ad RINL as mentioned
above, have been passed-on to respective departments for their compliance.

4. Accordingly, vide reference 3rdread above, Government have approvedfordeployment of 167 APSPF Police personnel (i.e., Inspector -01; SIs-04; HCs-26and CTs-136) at RashtriyaIspat Nigam Limited (RINL), Vizag Steel Plant, atfree ofcost, w.e.f. 01.05.2025 with cost implication of Rs.19,72,02,432/-towardsRecurring Charges for one year and Rs.7,02,432/- for Non-Recurring Charges, aspart of State Support in the RINL revival package.

5. Further, on the request of RINL to convert the power dues since August 2024for next two years (for a total amount of Rs.2,400 Cr) into non-cumulativeredeemable preferential share capital after 10 years at 7% interest-rate, theAPEPDCL. while processing the above request, has represented to StateGovernment and RINL to consider to provide the share capital at 10.5% interestrate instead of proposed 7% interest rate. The APPDCL has further informed that
the outstanding CC charges from August, 2024 till September 2025 is aboutRs.1,164.31 Crores.

6. In the reference 4thread above, the Jt. Secretary, Ministry of Steel, GoI hasinformed that the Union Cabinet Committee on Economic Affairs (CCEA) hasapproved infusion of equity capital of Rs.10,300.00 crore in RINL in a phasedmanner in quarterly traches in order to make the Company a going concern. TheCCEA has also approved the proposal for conversion of Government of India(GoI)working capital redeemable after 10 years. He has requested the StateGovernment to consider conversion of the arrears of electricity charges ofRs.2,400.00 crore into 7% non-cumulative redeemable preference Share capital ashas been approved in the case of conversion of GoI loan and further informed thatthe interests of Government of Andhra Pradesh and APEPDCL would be securedas per the provisions of the Companies Act. Therefore, he has requested the StateGovernment to give consent on the proposal of Ministry of Steel for conversion ofpast arrears and upcoming dues over the next two years, amounting to Rs.2400crores (including Rs.753.29 crore as charge due) into 7% non-cumulativeredeemable after 10 years preferential capital.

7. The Government has taken into cognisance that RINL, Vizag is aprestigiousproject of the State of Andhra Pradesh providing employment to few thousands ofthe people and is closely attached with the sentiments of the People of AndhraPradesh. Hence, the Government of Andhra Pradesh supports all the initiatives ofthe Government of India, Ministry of Steel and RINL Management all the times, toensure that the RINL Vizag functions to the full capacity and under theadministrative control of the Government of India. As a key stakeholder, thesupport of Government of Andhra Pradesh is crucial at this juncture, to keep RINLas a 'going concern'. Accordingly, the request of GoI& RINL above at para-6 hasto be considered, in a larger institutional interest rather than a commercialtransaction. Further, instead of simple deferment, the conversion of dues into 7% non-cumulative redeemable preferential share capital after 10 years will help the APEPDCL for better corporate governance without affecting its balance sheet and corporate performance. Further, the Government has appreciated the followingrelease of funds to RINL by GoI, so far.

Emergency fund released in Sep'24:

Equity: Rs.500 Cr
Loan: Rs.1,140 Cr (approved for conversion to 7% Non cumulative redeemable Preference Share Capital)

Fresh Equity Infusion approved in Jan'25: 9,800 Cr

Q4 of 2024-25: Rs.6,783 Cr released in Jan'25
Q1 of 2025-26: Rs.1,401 Cr released in Apr'25
Q2 of 2025-26: Rs.820 Cr released in Sep'25

8. With an objective to extend further support to the RINL, Visakhapatnam andMinistry of Steel, GoI, New Delhi, the Government after careful examination of thematter, hereby gives consent on the proposal of Ministry of Steel, Government ofIndia, for conversion of past arrears and upcoming dues of power charges of RINL,Vizag to Andhra Pradesh Eastern Power Distribution Company Limited(APEPDCL), Visakhapatnam over the next two years, amounting to Rs.2400crores (including Rs.753.29 crore as charge due) into 7% non-cumulative
redeemable preferential share capital after 10 years, as a state support measure towards the revival of RINL, Vizag.

9. Accordingly, the APEPDCL, Visakhapatnam, Energy Department, Govt ofAndhra Pradesh and RINL, Visakhapatnam are instructed to take furthernecessary action in this regard.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

N YUVARAJ
SECRETARY TO GOVERNMENT

To
The Energy Department, A.P. Secretariat.
The Director of Industries, AP, Mangalagiri
The Chairman and Managing Director, APEPDCL, Visakhapatnam
The Chairman and Managing Director, RINL, Visakhapatnam
The District Collector, Visakhapatnam
Copy to:
The Secretary, Ministry of Steel, GoI
The Director (Personnel), RINL, Vizag.
The OSD to Secretary to Hon'ble C.M
The OSD to Hon'ble Minister (I&C, FP)
The PS to Secretary to Govt (I&C)
The GA (Cabinet) Deptt. (w.r.t Council Resolution No.475/2025,Dt:10.10.2025)
Sf/Sc. (Comp.No.

//FORWARDED::BY ORDER//

SECTION OFFICER